REGISTERED COMPANY NUMBER: 02274166 (England and Wales)
REGISTERED CHARITY NUMBER: 299690

Report of the Trustees and Financial Statements For The Year Ended 31 July 2017 for The Knowl Hill Foundation

WEDNESDAY

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A14 17/01/2018 #357

COMPANIES HOUSE

Fuller Spurling
Statutory Auditors
Mill House
58 Guildford Street
Chertsey
Surrey
KT16 9BE

The Knowl Hill Foundation

Contents of the Financial Statements
For The Year Ended 31 July 2017

The Knowl Hill Foundation

Report of the Trustees
For The Year Ended 31 July 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Aims

The company is a non-political, non-religious, British charity engaged in promoting and providing for the advancement of the education of dyslexic children, who for one reason or another have been failed by mainstream schools, and who need the specialist teaching in a small caring environment, which can be provided at the Knowl Hill School in Pirbright, Surrey.

In addition, the foundation aspires to help educate teachers from the mainstream of education to recognise, and help children in their schools who may be dyslexic.

There has been no change in the declared policy of the Foundation. The Foundation continues to attract pupils, to the Knowl Hill School, from both the private sector, and from different local authorities.

The Trustees have complied with the duty in section 4 of the 2011 Charities Act to have regard to guidance published by the Charity Commission on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The Knowl Hill School seeks to benefit the public through its stated aims. The school is committed to safeguarding and promoting the welfare of our pupils. Parents are given regular information about their children's social and academic progress through parents evenings. The School operates an 'open door' policy for parents.

Our school welcomes pupils form all backgrounds and we are an equal opportunity organisation committed to a working environment that is free from any form of discrimination.

Objectives

The key objectives for the year are:

To provide continuing support of our pupils through our bursary fund
To provide the academic curriculum each child needs to fulfil his/her full potential
To continue and develop the pastoral care we provide for pupils
To increase the range of GCSE and BTEC qualifications available for the children
To invest in the infrastructure of our school to ensure a safe and pleasant environment for both pupils and staff
To invest in new technology which will benefit the children whose learning difficulties make normal reading and writing difficult.
To provide support to children with speech and language difficulties associated with their specific learning difficulties

ACHIEVEMENT AND PERFORMANCE

In the academic year 2016/17 the school has continued to see changes to both the fabric of the school and the educational programme offered to the pupils.

During the year pupil numbers reached 48 places.

Administrative aspects required continued review of software licenses.

The Head and the Board have implemented more changes over the last academic year. Some have already made an impact.

This was an academically weak year group so the results were not as good as usual, but mostly in line with the expected grades, slightly lower but this was the first year that English and Maths results were on the 9-1 scale, and nationally this was the case. A 4 is approximately equivalent to a C.
In English language there were three 3s and a 2. The same pupils did slightly better in literature, with two 2s and two 4s.
Maths had the best GCSE results, with one 5, one 4 three 3s and a 1.
Science (core) 1C, 3Ds, 1F and 5Gs. Additional Science, DCC.

The Knowl Hill Foundation

Report of the Trustees
For The Year Ended 31 July 2017

ACHIEVEMENT AND PERFORMANCE
Business studies, GEE, Economics D, F, G and 2Us. These subjects are now being discontinued although there will be one retake. Art and design, DFF, Textiles, D, Photography, 2cs, 3Es and and F.

Looking at BTECs, we had a good number of level 2 which is a GCSE equivalent pass in Sports and in Cookery.
All year 11 pupils took maths and English functional skills exams as a fall back or as their main qualification, at the appropriate levels.

Microsoft are carrying out another trial of the Learning Tools software and have lent us 25 Surface Pro-4s to do so. They will then be giving us 25 laptops to keep, saving the school a lot of money. Last year the trial led to some excellent publicity for the school.

Grantmaking

The charity does not have a formal grant-making policy, except for bursaries, however assistance is given to local state schools wherever possible, such as enabling teachers / lecturers to spend time at the school to see how we cater for our children. University departments come to do research, case studies, and a copy of their reports / findings are sent to us, so that we can use them to develop our learning / teaching skills.

Charitable Activities

As in previous years, the school has continued to support a number of national or local charities and organisations

Other charities were helped by fund-raising activities, some of which form part of our community-cohesion programme.

FINANCIAL REVIEW
Financial position
The results for the year are shown in the attached Statement of Financial Activities. Income increased from £944,090 in 2016 to £968,255 in 2017. Expenditure increased from £979,678 to £984,959 after depreciation of £22,455 (2016: £33,545). Overall net outgoing resources decreased from £35,588 to £13,704 and total funds carried forward have reduced to £226,636 (2016: £243,340).

The policy of the school is to ensure we have funds available before any major expenditure is incurred.

Principal funding sources
Principal funding arises from School Fees collected each Term.

Investment policy and objectives
The School's major investment is in the Land and Buildings of the School and in its regular upkeep.

Reserves policy
The Trustees review the financial reports at each bi-monthly meeting to ensure sufficient reserves are maintained for the needs of the day to day running of the School. Any surpluses are retained within the Charity and utilised for School purposes. It is considered desirable to try to aim to retain sufficient cash reserves to cover at least one term's expenditure excluding depreciation. It is believed that cash reserves need to be increased in the coming year.

Market Value of Freehold Property

A covenant exists on the land on which the school resides, which states it may only be used for educational purposes. The trustees do not therefore consider it practicable to establish whether there is a significant difference between the market value and book value of the freehold property.

FUTURE DEVELOPMENTS

Repairs and maintenance to the fabric of the building will continue. We have a regular maintenance schedule of improvement and re-decoration which continue year on year.

We will continue to invest in new technology to enable our students to realise their full potential.

Whilst we cannot increase the size of the school due to planning constraints we will continue to look at how best to use our existing space which may mean changes to the infrastructure of the school buildings.

The school's computer system is being updated and simplified. Broadband is being upgraded for 2mb to 100mb.

The school will be hosting the level 5 OCR Dyslexia qualification from January. The course will be run by 'Dyslexia Matters' and is open to anyone who meets the entry criteria. 5-6 teachers and LSAs at the school will be taking it as only 2 of our teachers including the headteacher have this qualification.

TEACHING & CURRICULUM FUTURE DEVELOPMENTS

The new language class opened for pupils with severe SLIs. This has grown to around 6 pupils and runs parallel to the main cohort. Pupils will integrate with the main cohort when they are considered to have developed the necessary communication skills in the language class. Pupils are making very good progress in their language skills.

Outdoor learning (woodland activities) is still taking place in the Junior School every Friday afternoon and the Head of Juniors will be taking the level 3 Forest School course.

Sociology GCSE has replaced Economics and Business studies.
7 pupils are attending Skillway in Godalming one day a week to take level 1 BTEC in metalwork and woodwork.
Surrey arts are providing instrumental lessons to ay pupils wanting to learn a musical instrument.
In addition to PSHE which is a statutory subject, year 10s are also having lessons on relationships and sex (RES)
SIMS has been replaced with RMIntegris which is considerably cheaper and more appropriate for a small school.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisation

The day to day management of the charity, as designated by the trustees, is undertaken by the Head.

The Trustees meet on a regular bi-monthly basis, in conjunction with the Head and parent and staff representatives. At the general meeting the Trustees review Head's report, the staff representative report and the parent representative report.

The Trustees also meet twice per terms in conjunction with the Head, Deputy Head and School Business Manager to discuss finances and capital expenditure and future developments of the school.

Induction and training of new trustees

A potential Trustee is invited to become a Trustee and the aims of the Charity are explained in detail. Copies of annual reports and accounts and a copy of the governing trust deed and the Charity Commission's guidance, The Essential Trustee, are made available to potential trustees. The potential Trustee is then invited to a normal board meeting and introduced to the rest of the Trustees and unless there are any objections is invited to join the charity as a Trustee, after the meeting.

It is recommended that all Trustees read the relevant Charity Commission guidelines and the responsibilities of a Trustee are clearly defined under these guidelines. (ICSA guide 'Recruitment Appointment and Induction of Charity Trustees').

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have reviewed, identified and recorded the major risks to the charity.

The Trustees have identified the major risk to the charity as being a loss of pupils. This would be counteracted by a reduction in staff. The Trustees have agreed a minimum number of pupils that the school requires to cover overheads.

The School has adequate insurance cover for all risks, including public liability and it is reviewed yearly.

The Head is responsible for risk assessments connected with any school trip. These are reviewed by a Trustee who has previous experience in such matters.

Access Policy

Our school is not restricted to those who can afford our fees. As a school for children with specific learning difficulties it must only take children that would benefit from specialised teaching designed for an individual child's specific difficulties. Therefore a full Educational Psychologist's report is required prior to admission as well as a report from the child's previous school. The child is then invited to spend 1 or 2 days at the school where they can be assessed by the staff in a class environment.

The Head will then discuss with the parents the suitability of the school and the fee structure. A bursary place may be offered if it is available and the parents financial situation merits it. If the child has a Statement of Educational Needs given by the Local Educational Authority then that Authority will be invited to meet with the Head for discussion as to how that child's need can be fulfilled.

Speech and Language Therapy, Occupational Therapy and a School Counsellor are available to all pupils who need their services. Funding is provided by their Local Authorities for this or by the parents of the pupil if they are private. The SPLAT programme - specific language and teaching where all pupils from Year 3 to Year 9 have very specific aspects of their learning difficulties targeted is continuing.

It should be noted that approximately 95% of our children are funded by the Local Education Authority as there is no other suitable educational establishment for them. Where necessary a representative of the school will attend Tribunals where parents are appealing against LA decisions. No child is rejected by the school if he / she meets the basic criterion of having a specific learning difficulty - unless there are simply no immediate places available. In those cases the child can be placed on a waiting list.

Bursary Policy

Bursaries are either full or half the cost of the school fees for a year. A bursary will usually run for two years and is reviewed yearly. In assessing a parents means of paying school fees we take into account their annual salary and expenses and any other family commitments. At present we offer the equivalent of up to 2 full bursaries which may be awarded as half bursaries.
We also make arrangements for parents to pay monthly if the need is great.

This year our bursaries totalled £15,960.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02274166 (England and Wales)

Registered Charity number
299690

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office
School Lane
Pirbright
Surrey
GU24 0JN

Trustees
R H Wallis
A Bareford
K Rowland-Doyle
A M Rhodes
N Todd
C P Rogers

Company Secretary
R H Wallis

Auditors
Fuller Spurling
Statutory Auditors
Mill House
58 Guildford Street
Chertsey
Surrey
KT16 9BE

Bankers
HSBC plc
6 Commercial Way
Woking
Surrey
GU21 1EZ

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Knowl Hill Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Fuller Spurling, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 5/1/18 and signed on its behalf by:

N Todd - Trustee

Report of the Independent Auditors to the Members of
The Knowl Hill Foundation

Opinion
We have audited the financial statements of The Knowl Hill Foundation (the 'charitable company') for the year ended 31 July 2017 on pages nine to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 July 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

Report of the Independent Auditors to the Members of
The Knowl Hill Foundation

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees Responsibilities set out on page six, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Mark Harvey (Senior Statutory Auditor)
for and on behalf of Fuller Spurling
Statutory Auditors
Mill House
58 Guildford Street
Chertsey
Surrey
KT16 9BE

Date: 15/1/2018

The Knowl Hill Foundation

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 July 2017

	Notes	Unrestricted funds £	Restricted fund £	31.7.17 Total funds £	31.7.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,024	-	13,024	11,525
Charitable activities	4				
School fees		955,198	-	955,198	932,466
Investment income	3	33	-	33	99
Total		968,255	-	968,255	944,090
EXPENDITURE ON					
Charitable activities	5				
School expenditure		978,985	5,974	984,959	979,678
NET INCOME/(EXPENDITURE)		(10,730)	(5,974)	(16,704)	(35,588)
RECONCILIATION OF FUNDS					
Total funds brought forward		237,366	5,974	243,340	278,928
TOTAL FUNDS CARRIED FORWARD		226,636	-	226,636	243,340

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The Knowl Hill Foundation

Balance Sheet
At 31 July 2017

	Notes	Unrestricted funds £	Restricted fund £	31.7.17 Total funds £	31.7.16 Total funds £
FIXED ASSETS					
Tangible assets	12	225,665	-	225,665	244,019
CURRENT ASSETS					
Stocks	13	3,000	-	3,000	3,000
Debtors	14	33,751	-	33,751	27,648
Cash at bank and in hand		14,564	-	14,564	44,916
		51,315	-	51,315	75,564
CREDITORS					
Amounts falling due within one year	15	(50,344)	-	(50,344)	(76,243)
NET CURRENT ASSETS/(LIABILITIES)		971	-	971	(679)
TOTAL ASSETS LESS CURRENT LIABILITIES		226,636	-	226,636	243,340
NET ASSETS		226,636	-	226,636	243,340
FUNDS	18				
Unrestricted funds				226,636	237,366
Restricted funds				-	5,974
TOTAL FUNDS				226,636	243,340

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 9/1/18 and were signed on its behalf by:

N Todd -Trustee

A Bareford -Trustee

The notes form part of these financial statements

The Knowl Hill Foundation

Cash Flow Statement
For The Year Ended 31 July 2017

	Notes	31.7.17 £	31.7.16 £
Cash flows from operating activities:			
Cash generated from operations	1	(3,586)	4,603
Net cash provided by (used in) operating activities		(3,586)	4,603
Cash flows from investing activities:			
Purchase of tangible fixed assets		(4,101)	(1,565)
Interest received		33	99
Net cash provided by (used in) investing activities		(4,068)	(1,466)
Cash flows from financing activities:			
Loan repayments in year		(22,698)	(27,500)
Net cash provided by (used in) financing activities		(22,698)	(27,500)
Change in cash and cash equivalents in the reporting period		(30,352)	(24,363)
Cash and cash equivalents at the beginning of the reporting period		44,916	69,279
Cash and cash equivalents at the end of the reporting period		14,564	44,916

The notes form part of these financial statements

The Knowl Hill Foundation

Notes to the Cash Flow Statement
For The Year Ended 31 July 2017

1. **RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.7.17	31.7.16
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(16,704)	(35,588)
Adjustments for:		
Depreciation charges	22,455	33,545
Interest received	(33)	(99)
(Increase)/decrease in debtors	(6,103)	4,461
(Decrease)/increase in creditors	(3,201)	2,284
Net cash provided by (used in) operating activities	(3,586)	4,603

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

School fees are stated inclusive of reimbursed travel, school trips, exam fees and other costs.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities
Charitable activities include expenditure associated with the operation of the school and include both the direct costs and support costs relating to these activities.

Governance costs
Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Allocation and apportionment of costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage. 10% of overhead costs have been attributed to governance expenditure, with 90% attributable to the charitable activities of the Charity.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% on cost
Equipment & furniture	- 20% on cost
Computer equipment	- 33% on cost

Fixed Assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from corporation tax on its charitable activities.

1. **ACCOUNTING POLICIES - continued**

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash at bank and in hand, and demand deposits with banks.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Loans

Bank loans are stated at their original value, less repayments made to date, and interest charged at the agreed rate to date.

2. **DONATIONS AND LEGACIES**

	Unrestricted funds	Restricted funds	31.7.17 Total funds	31.7.16 Total funds
	£	£	£	£
Donations	13,024	-	13,024	11,525

3. **INVESTMENT INCOME**

	Unrestricted funds	Restricted funds	31.7.17 Total funds	31.7.16 Total funds
	£	£	£	£
Deposit account interest	33	-	33	99

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.7.17 £	31.7.16 £
School Fees and Reimbursed cha rges	School fees	955,198	932,466

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6) £	Support costs (See note 7) £	Totals £
School expenditure	774,425	210,534	984,959

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.7.17 £	31.7.16 £
Staff costs	699,047	664,730
Educational supplies	9,665	23,209
School Trips	2,865	18,612
Daily travel cost of pupils	6,572	8,070
Other overheads	20,107	17,445
Bursary Awarded	15,960	7,881
Depreciation	20,209	30,190
	774,425	770,137

7. SUPPORT COSTS

	Overhead costs £	Governance costs £	Totals £
School expenditure	108,053	102,481	210,534

Support costs, included in the above, are as follows:

Overhead costs

	31.7.17 School expenditure £	31.7.16 Total activities £
Rents, Rates and Insurance	12,488	10,888
Light and heat	11,881	9,111
Telephone	3,308	5,136
Repairs and Renewals	33,989	27,689
Computer Expenses	29,138	25,685
Other Expenses	17,249	19,318
	108,053	97,827

7. SUPPORT COSTS - continued

Governance costs

	31.7.17 School expenditure £	31.7.16 Total activities £
Wages	71,466	68,577
Social security	5,711	5,017
Pensions	494	265
Auditors' remuneration	7,000	7,500
Rents, Rates and Insurance	1,388	1,210
Light and Heat	1,320	1,012
Telephone	367	571
Repairs and Renewals	3,777	3,076
Computer Expenses	3,237	2,854
Other Expenses	1,916	2,146
Accountancy and legal fees	3,559	16,131
Depreciation of tangible fixed assets	2,246	3,355
	102,481	111,714

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.7.17 £	31.7.16 £
Auditors' remuneration	7,000	7,500
Depreciation - owned assets	22,455	33,545

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2017 nor for the year ended 31 July 2016.

Trustees' expenses
There were no trustees' expenses paid for the year ended 31 July 2017 nor for the year ended 31 July 2016.

10. STAFF COSTS

	31.7.17	31.7.16
	£	£
Wages and salaries	714,664	685,773
Social security costs	57,110	50,171
Other pension costs	4,944	2,645
	776,718	738,589

The average monthly number of employees during the year was as follows:

	31.7.17	31.7.16
Teachers (Full and Part Time)	30	27
Admin & Bursary Staff	5	5
Trustees	6	5
	41	37

There were no employees with emolument or other benefits above £60,000 for the year ended 31 July 2017 or for the year ended 31 July 2016.

The key management personnel of the charity comprise the trustees and the Headteacher. The total employee benefits of the key management personnel of the Charity were £45,867 (2016: £68,753).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,551	5,974	11,525
Charitable activities			
School fees	932,466	-	932,466
Investment income	99	-	99
Total	938,116	5,974	944,090
EXPENDITURE ON			
Charitable activities			
School expenditure	979,678	-	979,678
Total	979,678	-	979,678
NET INCOME/(EXPENDITURE)	(41,562)	5,974	(35,588)

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
RECONCILIATION OF FUNDS			
Total funds brought forward	278,928	-	278,928
TOTAL FUNDS CARRIED FORWARD	237,366	5,974	243,340

12. TANGIBLE FIXED ASSETS

	Freehold property	Equipment & furniture	Computer equipment	Totals
	£	£	£	£
COST				
At 1 August 2016	873,014	317,652	413,523	1,604,189
Additions	-	4,101	-	4,101
At 31 July 2017	873,014	321,753	413,523	1,608,290
DEPRECIATION				
At 1 August 2016	632,765	315,012	412,393	1,360,170
Charge for year	19,499	1,826	1,130	22,455
At 31 July 2017	652,264	316,838	413,523	1,382,625
NET BOOK VALUE				
At 31 July 2017	220,750	4,915	-	225,665
At 31 July 2016	240,249	2,640	1,130	244,019

13. STOCKS

	31.7.17	31.7.16
	£	£
Stocks	3,000	3,000

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.17	31.7.16
	£	£
Trade debtors	22,155	11,406
Other debtors	3,094	1,113
Prepayments	8,502	15,129
	33,751	27,648

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.17	31.7.16
	£	£
Bank loans and overdrafts (see note 16)	-	22,698
Trade creditors	16,204	17,203
Social security and other taxes	16,108	14,649
Other creditors	7,005	11,208
Accrued expenses	11,027	10,485
	50,344	76,243

16. LOANS

An analysis of the maturity of loans is given below:

	31.7.17	31.7.16
	£	£
Amounts falling due within one year on demand:		
Bank loans	-	22,698

The bank loan is secured by a fixed and floating charge over the assets of the Charity.

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.7.17	31.7.16
	£	£
Within one year	-	28,553
Between one and five years	41,185	15,394
	41,185	43,947

18. MOVEMENT IN FUNDS

	At 1.8.16	Net movement in funds	At 31.7.17
	£	£	£
Unrestricted funds			
General fund	212,366	(10,730)	201,636
Designated funds	25,000	-	25,000
	237,366	(10,730)	226,636
Restricted funds			
Restricted Funds	5,974	(5,974)	-
TOTAL FUNDS	243,340	(16,704)	226,636

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	968,255	(978,985)	(10,730)
Restricted funds			
Restricted Funds	-	(5,974)	(5,974)
TOTAL FUNDS	968,255	(984,959)	(16,704)

The designated fund is made up of a bursary reserve for children in need of £25,000. One full bursary was agreed for the whole year.Total bursaries awarded in the year were £15,960. These are shown as a reduction in income receivable from School fees. The fund brought forward continues to be carried forward.

At 1st August 2016, the restricted fund was made up of donations totalling £5,974 that were made specifically to improve the facilities by building a food technology room at the school. The food technology room was completed and opened in the accounting period (September 2016) with all the restricted funds brought forward now spent.

19. RELATED PARTY DISCLOSURES

Mrs N Todd, Chair of Trustees, is also a board member of The Millennium Oak Trust, an unincorporated charity. The Millennium Oak Trust donated a total of £4,100 to the charity in the period (2016: £8,600).

Mr M Lusty, a close family member related to Mrs J Lusty, a member of the key management personnel, was paid £190 for consultancy work in the period (2016: Nil).